

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWAREIn re: W. R. Grace & Co., et al.  
DebtorCase No. 01-01139 Jointly Administered  
Reporting Period: October 2005

## MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date

Signature of Authorized Individual\*

Date

Robert M. Tarola

Senior Vice President and  
Chief Financial Officer

Printed Name of Authorized Individual

Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**W. R. Grace & Co.  
Monthly Financial Report  
October 31, 2005**

**Table of Contents**

**Chart #**

**Form MOR**

**Monthly Operating Report**

Schedule of Cash Receipts and Disbursements .....	1	MOR-1
Bank Reconciliations .....	2	MOR-1
Combining Statement of Operations - Filing Entities Only .....	3	MOR-2
Combining Balance Sheet - Filing Entities Only .....	4	MOR-3
Status of Postpetition Taxes .....	5	MOR-4
Accounts Receivable Reconciliation and Aging .....	6	MOR-5
Debtor Questionnaire .....	7	MOR-5

**Combined Chapter 11 Filing Entity Statements**

Combined Statement of Operations.....	8	.....
Combined Functional Basis Statement of Cash Flows .....	9	.....
Combined Balance Sheet .....	10	.....
Notes to Combined Financial Statements .....	11	.....

**Bank Statements**

**Federal Income Tax Returns**

none

**Forward-Looking Information**

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

**Statement of Confidentiality**

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

## **Monthly Operating Report**

W. R. Grace & Co. - Conn

**Schedule of Cash Receipts and Disbursements**

MOR-1

October 2005

	BUP Morgan Chase D-10101357/2008	Wachovia D-10101357/2008	First Union D-10101357/2008	First Union D-10101357/2008	Merrill Lynch D-10101357/2008	Merrill Lynch D-10101357/2008	J.P. Morgan Chase D-10101357/2008
<b>CASH BEGINNING OF MONTH</b>	\$ 98,625	\$ -	\$ (0)	\$ 0	\$ 225,951,699	\$ 0	\$ 758,928
<b>RECEIPTS</b>							
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
<b>DIP BORROWINGS</b>							
TRANSFERS IN - THIRD PARTIES			802,492		655,009		2,189
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	200,000				29,800,000		
MISCELLANEOUS							
<b>TOTAL RECEIPTS</b>	<b>200,000</b>	<b>-</b>	<b>802,492</b>	<b>-</b>	<b>30,255,009</b>	<b>-</b>	<b>2,189</b>
<b>DISBURSEMENTS</b>							
PAYROLL							
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
<b>DIP PRINCIPAL REPAYMENTS</b>							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	190,302						
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			802,492		53,800,000		
MISCELLANEOUS							
<b>TOTAL DISBURSEMENTS</b>	<b>190,302</b>	<b>-</b>	<b>802,492</b>	<b>-</b>	<b>53,800,000</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	<b>9,698</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23,544,991)</b>	<b>-</b>	<b>2,189</b>
<b>CASH - END OF MONTH</b>	<b>106,323</b>	<b>-</b>	<b>(0)</b>	<b>0</b>	<b>202,406,708</b>	<b>0</b>	<b>761,117</b>

### Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	J.P. Morgan Chase Corporation 6001257/0001	Bank of America Corporation 6001257/0001	Bank of America Corporation 6001257/0001	First Union Corporation 60000002327/2	First Union Corporation 60000002327/2	First Union Corporation 60000002327/2	Civic Bankers Corporation 60000002327/2	First Union Corporation 60000002327/2
<b>CASH BEGINNING OF MONTH</b>	\$ 202,074	\$ 2,046,293	\$ 38,079,690	\$ (0)	\$ 2	\$ (0)	\$ 0	\$ (0)
<b>RECEIPTS</b>								
ACCOUNTS RECEIVABLE - THIRD PARTIES		54,244,267						
ACCOUNTS RECEIVABLE - INTERCOMPANY		6,351,474						
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI								
DIP BORROWINGS								
TRANSFERS IN - THIRD PARTIES	1,100,439		111,290					
TRANSFERS IN - NONFILING ENTITIES	11,058,427							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	164,191,541			122,700,000	17,612,616	3,003		133,850
MISCELLANEOUS						3,228		
<b>TOTAL RECEIPTS</b>	<b>176,350,407</b>	<b>60,595,741</b>	<b>111,290</b>	<b>122,700,000</b>	<b>17,612,616</b>	<b>6,231</b>		<b>133,850</b>
<b>DISBURSEMENTS</b>								
PAYROLL					11,623,526			
PAYROLL TAXES					5,637,831			
TRADE PAYABLES - THIRD PARTIES	358,587							
TRADE PAYABLES - INTERCOMPANY								
ACCOUNT SECURITIZATION								
PAYMENTS AS SERVICER FOR GRPI								
DIP PRINCIPAL REPAYMENTS								
DIP INTEREST AND USAGE FEES	172,593							
TRANSFERS OUT - THIRD PARTIES	20,537,334	4,005				6,231		133,850
TRANSFERS OUT - NONFILING ENTITIES	1,751,122							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	152,789,199	59,781,358		117,181,290				
MISCELLANEOUS				5,518,710	51,259			
<b>TOTAL DISBURSEMENTS</b>	<b>175,608,835</b>	<b>59,785,383</b>	<b>-</b>	<b>122,700,000</b>	<b>17,612,616</b>	<b>6,231</b>		<b>133,850</b>
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	<b>741,572</b>	<b>810,378</b>	<b>111,290</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>CASH - END OF MONTH</b>	<b>943,646</b>	<b>2,858,671</b>	<b>38,190,979</b>	<b>(0)</b>	<b>2</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	First Union BAC-SPV Corp 207/992005761	First Union BAC-SPV Corp 207/990005755	Wachovia 207/990005755	First Union BAC-SPV Corp 207/990005260	First Union BAC-SPV Corp 207/990005231	Bank of America BAC-SPV Corp 207/990005231	Sumitomo Bank 200000121305	CNC 23002615603
<b>CASH BEGINNING OF MONTH</b>	\$ -	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,248	\$ 24,447
<b>RECEIPTS</b>								
ACCOUNTS RECEIVABLE - THIRD PARTIES			34,513,679					
ACCOUNTS RECEIVABLE - INTERCOMPANY			13,152,781					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI								
DIP BORROWINGS								
TRANSFERS IN - THIRD PARTIES								
TRANSFERS IN - NONFILING ENTITIES								
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	51,499,898			1,444,792	48,487,331			
MISCELLANEOUS	4,968,381				4,962,304			
<b>TOTAL RECEIPTS</b>	<b>56,468,079</b>	<b>-</b>	<b>47,886,440</b>	<b>1,444,792</b>	<b>51,449,636</b>	<b>-</b>	<b>-</b>	<b>7</b>
<b>DISBURSEMENTS</b>								
PAYROLL								
PAYROLL TAXES								
TRADE PAYABLES - THIRD PARTIES	(a) 56,468,079			1,444,792	51,449,636			
TRADE PAYABLES - INTERCOMPANY								
ACCOUNT SECURITIZATION								
PAYMENTS AS SERVICER FOR GRPI								
DIP PRINCIPAL REPAYMENTS								
DIP INTEREST AND USAGE FEES								
TRANSFERS OUT - THIRD PARTIES								
TRANSFERS OUT - NONFILING ENTITIES								
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			47,093,650					
MISCELLANEOUS			572,790					
<b>TOTAL DISBURSEMENTS</b>	<b>56,468,079</b>	<b>-</b>	<b>47,886,440</b>	<b>1,444,792</b>	<b>51,449,636</b>	<b>-</b>	<b>-</b>	<b>7</b>
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>								<b>(7)</b>
<b>CASH - END OF MONTH</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>45,248</b>	<b>24,440</b>

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

(a) These disbursements include Libby Indictment, legal, and indemnification costs of \$2,175,386.

W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	Hibernia Name	Bank of America	Bank Atlantic	First Union	Banco de Credito Cooperativo Accr Gobernante Accr	Banco del Crédito Gobernante Accr	Banco de Credito Gobernante Accr
	Disbursements	Payroll	Payroll	Rev. Cash	Rev. Cash	Rev. Cash	Rev. Cash
	10/01/91/210/05	10,000,000.00/2213,63	15,288,572	204,000.00/158,000	193,115/122,538	193,125/88,372	193,000/158,200
<b>CASH BEGINNING OF MONTH</b>	<b>\$ 10,000</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ 58,345</b>	<b>\$ 7,158</b>	<b>\$ 144,557</b>	<b>\$ -</b>
<b>RECEIPTS</b>							
ACCOUNTS RECEIVABLE - THIRD PARTIES					14,582	524,291	
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES					74,687	747	
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS							
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89,270</b>	<b>525,038</b>	<b>-</b>
<b>DISBURSEMENTS</b>							
PAYROLL					8,309		
PAYROLL TAXES					474		
TRADE PAYABLES - THIRD PARTIES						181,225	
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES					69,827	70,000	
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS					15,241	17,254	
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93,852</b>	<b>268,479</b>	<b>-</b>
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,583)</b>	<b>256,559</b>	<b>-</b>
<b>CASH - END OF MONTH</b>	<b>10,000</b>	<b>-</b>	<b>(0)</b>	<b>58,345</b>	<b>2,575</b>	<b>401,116</b>	<b>-</b>

**Note #1**

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W. R. Grace & Co., - Conn

### Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	Banco Sudameri Cuenta 7A-C (0220251800)	Banco Sudameri Cuenta 7A-C (0220251800)	CASH IN 180,000	CASH OUT 100,000		CURRENT MONTH ACTUALS	PROJECTED
CASH BEGINNING OF MONTH	\$ 1,530	\$ 227,611	\$ 1	\$ 44,425	\$ (145,415)	267,551,213	\$
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES	19,658					89,316,476	
ACCOUNTS RECEIVABLE - INTERCOMPANY		183,332				19,687,567	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI						-	
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES						2,846,853	
TRANSFERS IN - NONFILING ENTITIES						11,058,427	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS						433,872,831	
MISCELLANEOUS						9,931,913	
TOTAL RECEIPTS	19,658	183,332	-	-	-	566,714,068	
DISBURSEMENTS							
PAYROLL						11,931,835	
PAYROLL TAXES	13,838					5,652,143	
TRADE PAYABLES - THIRD PARTIES		241,206				110,141,524	
TRADE PAYABLES - INTERCOMPANY						-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI						-	
DIP PRINCIPAL REPAYMENTS						-	
DIP INTEREST AND USAGE FEES						172,593	
TRANSFERS OUT - THIRD PARTIES	5,018	20,000				21,036,574	
TRANSFERS OUT - NONFILING ENTITIES						1,751,122	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS						431,547,989	
MISCELLANEOUS	2,178	9,719			12,687	6,199,837	
TOTAL DISBURSEMENTS	21,033	270,925	-	-	12,687	588,433,617	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(1,376)	(87,593)	-	-	(12,687)	(21,719,549)	
CASH - END OF MONTH	154	140,018	1	44,425	(158,102)	245,831,665	\$

### Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W.R. Grace &amp; Co.

## Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	UP Month Change Past Month Total 223,871,933	CURRENT MONTH	
		ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>		<b>\$ -</b>	<b>\$ -</b>
<b>RECEIPTS</b>			
ACCOUNTS RECEIVABLE - THIRD PARTIES			-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-
DIP BORROWINGS			-
TRANSFERS IN - THIRD PARTIES			-
TRANSFERS IN - NONFILING ENTITIES			-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		289,199	289,199
<b>TOTAL RECEIPTS</b>		<b>289,199</b>	<b>289,199</b>
<b>DISBURSEMENTS</b>			
PAYROLL			-
PAYROLL TAXES			-
TRADE PAYABLES - THIRD PARTIES			-
TRADE PAYABLES - INTERCOMPANY			-
ACCOUNT SECURITIZATION			-
PAYMENTS AS SERVICER FOR GRPI			-
DIP PRINCIPAL REPAYMENTS			-
DIP INTEREST AND USAGE FEES			-
TRANSFERS OUT - THIRD PARTIES			-
TRANSFERS OUT - NONFILING ENTITIES			-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		289,199	289,199
MISCELLANEOUS			-
<b>TOTAL DISBURSEMENTS</b>		<b>289,199</b>	<b>289,199</b>
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>		<b>-</b>	<b>-</b>
<b>CASH - END OF MONTH</b>		<b>\$ -</b>	<b>\$ -</b>

Remedium Group, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	SIP Month Cash Beginning/Month 01010433472	SIP Month Cash Disbursements 01010433472	CURRENT MONTH	
			ACTUAL	PROJECTED*
<b>CASH BEGINNING OF MONTH</b>	\$ 0	\$ (124,339)	\$ 473	\$ (123,866)
<b>RECEIPTS</b>				
ACCOUNTS RECEIVABLE - THIRD PARTIES				-
ACCOUNTS RECEIVABLE - INTERCOMPANY				-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-
DIP BORROWINGS				-
TRANSFERS IN - THIRD PARTIES	473	671,753	672,226	
TRANSFERS IN - NONFILING ENTITIES				-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	672,226	290,031	962,257	
<b>TOTAL RECEIPTS</b>	<b>672,699</b>	<b>290,031</b>	<b>671,753</b>	<b>1,634,483</b>
<b>DISBURSEMENTS</b>				
PAYROLL				-
PAYROLL TAXES				-
TRADE PAYABLES - THIRD PARTIES				-
TRADE PAYABLES - INTERCOMPANY				-
ACCOUNT SECURITIZATION				-
PAYMENTS AS SERVICER FOR GRPI				-
DIP PRINCIPAL REPAYMENTS				-
DIP INTEREST AND USAGE FEES				-
TRANSFERS OUT - THIRD PARTIES		308,341	308,341	
TRANSFERS OUT - NONFILING ENTITIES				-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	672,699	672,226	1,344,925	
MISCELLANEOUS				-
<b>TOTAL DISBURSEMENTS</b>	<b>672,699</b>	<b>308,341</b>	<b>672,226</b>	<b>1,653,266</b>
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	<b>0</b>	<b>(18,309)</b>	<b>(473)</b>	<b>(18,783)</b>
<b>CASH - END OF MONTH</b>	<b>0</b>	<b>(142,649)</b>	<b>0</b>	<b>(142,649)</b>

Darex Puerto Rico, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	Citizen Bank Operating Accts 300163013	Party Cash	Cheq	Cash Transit	CURRENT MONTH ACTUAL	CURRENT MONTH PROJECTED
<b>CASH BEGINNING OF MONTH</b>	\$ 6,760,633	\$ 1,500	\$ -	\$ 0	\$ 6,762,133	
<b>RECEIPTS</b>						
ACCOUNTS RECEIVABLE - THIRD PARTIES	488,481				488,481	
ACCOUNTS RECEIVABLE - INTERCOMPANY					-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					-	
DIP BORROWINGS					-	
TRANSFERS IN - THIRD PARTIES					-	
TRANSFERS IN - NONFILING ENTITIES					-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	330,223				330,223	
<b>TOTAL RECEIPTS</b>	<b>818,705</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>818,705</b>	<b>-</b>
<b>DISBURSEMENTS</b>						
PAYROLL	5,603				5,603	
PAYROLL TAXES	2,091				2,091	
TRADE PAYABLES - THIRD PARTIES	249,809				249,809	
TRADE PAYABLES - INTERCOMPANY					-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					-	
DIP PRINCIPAL REPAYMENTS					-	
DIP INTEREST AND USAGE FEES					-	
TRANSFERS OUT - THIRD PARTIES					-	
TRANSFERS OUT - NONFILING ENTITIES					-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	330,223				330,223	
MISCELLANEOUS					-	
<b>TOTAL DISBURSEMENTS</b>	<b>587,727</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>587,727</b>	<b>-</b>
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	<b>230,978</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>230,978</b>	<b>-</b>
<b>CASH - END OF MONTH</b>	<b>6,991,611</b>	<b>1,500</b>	<b>-</b>	<b>0</b>	<b>6,993,111</b>	<b>-</b>

CC Partners

Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	PAST DUE	CURRENT MONTH	
		ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>	\$ -	\$ -	\$ -
<b>RECEIPTS</b>	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
<b>TOTAL RECEIPTS</b>		-	-
<b>DISBURSEMENTS</b>			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION			
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
<b>TOTAL DISBURSEMENTS</b>		-	-
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>		-	-
<b>CASH - END OF MONTH</b>	\$ -	\$ -	\$ -

## Kootenai Development Company

## Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

		180 National Bank of Montana (049097)	CURRENT MONTH	PROJECTED
		ACTUAL		
<b>CASH BEGINNING OF MONTH</b>		\$ 5,839	\$ 5,839	
<b>RECEIPTS</b>		No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES			-	
ACCOUNTS RECEIVABLE - INTERCOMPANY			-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	
DIP BORROWINGS			-	
TRANSFERS IN - THIRD PARTIES			-	
TRANSFERS IN - NONFILING ENTITIES			-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-	
<b>TOTAL RECEIPTS</b>			-	
<b>DISBURSEMENTS</b>				
PAYROLL			-	
PAYROLL TAXES			-	
TRADE PAYABLES - THIRD PARTIES			-	
TRADE PAYABLES - INTERCOMPANY			-	
ACCOUNT SECURITIZATION			-	
PAYMENTS AS SERVICER FOR GRPI			-	
DIP PRINCIPAL REPAYMENTS			-	
DIP INTEREST AND USAGE FEES			-	
TRANSFERS OUT - THIRD PARTIES			-	
TRANSFERS OUT - NONFILING ENTITIES			-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-	
MISCELLANEOUS			-	
<b>TOTAL DISBURSEMENTS</b>			-	
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>			-	
<b>CASH - END OF MONTH</b>		\$ 5,839	\$ 5,839	\$ -

Grace Europe, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

October 2005

	\$	- \$	CURRENT MONTH	
			ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>	\$	- \$	-	-
<b>RECEIPTS</b>				
ACCOUNTS RECEIVABLE - THIRD PARTIES		No Activity	-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	-
DIP BORROWINGS			-	-
TRANSFERS IN - THIRD PARTIES			-	-
TRANSFERS IN - NONFILING ENTITIES			-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-	-
<b>TOTAL RECEIPTS</b>			-	-
<b>DISBURSEMENTS</b>				
PAYROLL			-	-
PAYROLL TAXES			-	-
TRADE PAYABLES - THIRD PARTIES			-	-
TRADE PAYABLES - INTERCOMPANY			-	-
ACCOUNT SECURITIZATION			-	-
PAYMENTS AS SERVICER FOR GRPI			-	-
DIP PRINCIPAL REPAYMENTS			-	-
DIP INTEREST AND USAGE FEES			-	-
TRANSFERS OUT - THIRD PARTIES			-	-
TRANSFERS OUT - NONFILING ENTITIES			-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-	-
MISCELLANEOUS			-	-
<b>TOTAL DISBURSEMENTS</b>			-	-
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>			-	-
<b>CASH - END OF MONTH</b>	\$	- \$	- \$	- \$

Gloucester New Communities Company, Inc.  
 Schedule of Cash Receipts and Disbursements  
 MOR-1  
 October 2005

	CASH On Hand	CURRENT MONTH		PROJECTED	
		ACTUAL	ESTIMATE	ACTUAL	ESTIMATE
CASH BEGINNING OF MONTH	\$ 500	\$ 500			
RECEIPTS:		No Activity			
ACCOUNTS RECEIVABLE - THIRD PARTIES			-		
ACCOUNTS RECEIVABLE - INTERCOMPANY			-		
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-		
DIP BORROWINGS			-		
TRANSFERS IN - THIRD PARTIES			-		
TRANSFERS IN - NONFILING ENTITIES			-		
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-		
TOTAL RECEIPTS			-		
DISBURSEMENTS:					
PAYROLL			-		
PAYROLL TAXES			-		
TRADE PAYABLES - THIRD PARTIES			-		
TRADE PAYABLES - INTERCOMPANY			-		
ACCOUNT SECURITIZATION			-		
PAYMENTS AS SERVICER FOR GRPI			-		
DIP PRINCIPAL REPAYMENTS			-		
DIP INTEREST AND USAGE FEES			-		
TRANSFERS OUT - THIRD PARTIES			-		
TRANSFERS OUT - NONFILING ENTITIES			-		
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-		
MISCELLANEOUS			-		
TOTAL DISBURSEMENTS			-		
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)			-		
CASH - END OF MONTH	\$ 500	\$ 500	\$ -		

Dewey & Almy, LLC  
 Schedule of Cash Receipts and Disbursements  
 MOR-1  
 October 2005

	\$	CURRENT MONTH	
		ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>	\$ -	\$ -	\$ -
<b>RECEIPTS</b>		No Activity	
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
<b>TOTAL RECEIPTS</b>		-	-
<b>DISBURSEMENTS</b>			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
<b>TOTAL DISBURSEMENTS</b>		-	-
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>		\$ -	\$ -
<b>CASH - END OF MONTH</b>	\$ -	\$ -	\$ -

W. R. Grace & Co. - Conn  
Bank Reconciliations  
September, 2005  
MOR-1

	JP Morgan Chase Disbursement 9101013572	Wachovia Lockbox 8619039102	First Union Deposit Acct 2198500021812	First Union Payroll 2079900003615	Merill Lynch Investment 3323735	
Balance per books	\$ 96,625	\$ -	\$ -	\$ -	\$ 225,951,699	
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ 96,625	\$ -	\$ 10,000 (10,000)	\$ -	\$ 225,951,699	
Adjusted bank balance	\$ 96,625	\$ -	\$ -	\$ -	\$ 225,951,699	
Deposits In Transit	Date	Amount	Date	Amount	Date	Amount
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount
Other				(10,000)		
Transfers between bank accounts						
Accounting error						
Interest not recorded on books						
Bank fees not recorded on books						
Payroll tax payments not recorded						
Unreconciled bank activity						
Unreconciled ledger activity						
Reclass negative cash balance						
Returned item adjustment						
Payroll/other activity in transit						
Petty cash funds						
Reporting reclass						
Unrecorded deposit						

W. R. Grace & Co. - Conn  
 Bank Reconciliations  
 September, 2005  
 MOR-1

	JP Morgan Chase Holding 323223141	JP Morgan Chase Concentration 16001257	Bank of America Lockbox 8188203114	Banc of America Securities, LLC 22330134	First Union Concentration 2000000282172
Balance per books	\$ 758,928	\$ 202,074	\$ 2,046,293	\$ 38,079,690	\$ -
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ - 758,928	\$ 202,074 82,322	\$ 1,963,971 82,322	\$ 38,079,690 (4,103,311)	\$ 4,103,311 (4,103,311)
Adjusted bank balance	\$ 758,928	\$ 202,074	\$ 2,046,293	\$ 38,079,690	\$ -
Deposits in Transit	Date	Amount	Date	Amount	Date
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #
Other		758,928		82,322	
Transfers between bank accounts Accounting error Interest not recorded on books Bank fees not recorded on books Payroll tax payments not recorded Unreconciled bank activity Unreconciled ledger activity Reclass negative cash balance Returned item adjustment Payroll/other activity in transit Petty cash funds Reporting reclass Unrecorded deposit					(4,103,311)

W. R. Grace & Co. - Conn  
Bank Reconciliations  
September, 2005  
MOR-1

	First Union Payroll 2079900016741	First Union Petty Cash 2079900005600	Civic Bank Payroll 15502015736	First Union Libby Medical 2079900085008	First Union Accts Payable 2079920005761		
Balance per books	\$ 2	\$ -	\$ -	\$ -	\$ -		
Bank Balance	\$ 2	\$ -	\$ -	\$ -	\$ -		
(+) Deposits in transit							
(-) Outstanding checks	(454,307)	(462)			(6,391,778)		
Other	454,307	462			6,391,778		
Adjusted bank balance	\$ 2	\$ -	\$ -	\$ -	\$ -		
Deposits In Transit	Date	Amount	Date	Amount	Date		
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #		
	Detail Available		12586 32048 32049 34066 35243 37009 39027 39028 39029 39030 39031 39032 39033	(15) (20) (1) (50) (2) (68) (6) (33) (35) (25) (32) (55) (100)			Detail Available
Other							
Transfers between bank accounts							
Accounting error							
Interest not recorded on books							
Bank fees not recorded on books							
Payroll tax payments not recorded							
Unreconciled bank activity							
Unreconciled ledger activity							
Reclass negative cash balance							
Returned item adjustment							
Payroll/other activity in transit							
Petty cash funds							
Reporting reclass							
Unrecorded deposit							
		454,307		8,345 19 (7,902)		(1,864,462) (8,238) 8,264,478	

W. R. Grace & Co. - Conn  
Bank Reconciliations  
September, 2005  
MOR-1

	First Union Payroll 2079900067554	Wachovia Lockbox 1866-0826356	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	Allfirst Payroll 18298631			
Balance per books	\$ -	\$ -	\$ -	\$ -	\$ -			
Bank Balance	\$ -	\$ 1,178,100	\$ -	\$ -	\$ -			
(+) Deposits in transit								
(-) Outstanding checks								
Other		(1,178,100)		(399,291)				
Adjusted bank balance	\$ -	\$ -	\$ -	\$ -	\$ -			
Deposits in Transit	Date	Amount	Date	Amount	Date	Amount	Date	Amount
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount
Other					Detail Available			
Transfers between bank accounts								
Accounting error								
Interest not recorded on books								
Bank fees not recorded on books								
Payroll tax payments not recorded								
Unreconciled bank activity								
Unreconciled ledger activity								
Reclass negative cash balance								
Returned item adjustment								
Payroll/other activity in transit								
Petty cash funds								
Reporting reclass								
Unrecorded deposit								

W. R. Grace & Co. - Conn  
Bank Reconciliations  
September, 2005  
MOR-1

	SunTrust Payroll 00000141309	PNC 4002641360	Hibernia Nat Disbursement 101391210	Bank of America Payroll 0000 0002 2137	Allfirst Payroll 16298857	
Balance per books	\$ 45,246	\$ 24,454	\$ 10,000	\$ -	\$ -	
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ 45,246	\$ 24,454	\$ 10,000	\$ -	\$ -	
Adjusted bank balance	\$ 45,246	\$ 24,454	\$ 10,000	\$ -	\$ -	
Deposits In Transit	Date	Amount	Date	Amount	Date	Amount
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount
Other						
Transfers between bank accounts						
Accounting error						
Interest not recorded on books						
Bank fees not recorded on books						
Payroll tax payments not recorded						
Unreconciled bank activity						
Unreconciled ledger activity						
Reclass negative cash balance						
Returned item adjustment						
Payroll/other activity in transit						
Petty cash funds						
Reporting reclass						
Unrecorded deposit						

## W. R. Grace &amp; Co. - Conn

## Bank Reconciliations

September, 2005

MOR-1

	First Union Petty Cash 204000016900	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172	Banco de Credito Time Deposit 0015820	Bank of Sudamericano Operating Acct 10220251
Balance per books	\$ 56,345	(Soles) 23,777	\$ 144,557	\$ -	(Soles) 5,082
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ 41,064	23,777	\$ 144,557	\$ -	5,082
Adjusted bank balance	\$ 56,345	(Soles) 23,777	\$ 144,557	\$ -	(Soles) 5,082
Deposits in Transit	Date	Amount	Date	Date	Date
Outstanding Checks	Ck. #	Amount	Ck. #	Ck. #	Ck. #
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Reclass negative cash balance					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					
		(719) 16,000			

<p style="text-align: center;">W. R. Grace &amp; Co. - Conn Bank Reconciliations September, 2005 MOR-1</p>		
<p>Bank of Sudamericano Operating Acct: 10220280</p>		
Balance per books		\$ 227,611
Bank Balance		\$ 228,156
(+) Deposits in transit		(545)
(-) Outstanding checks		(545)
Other		(545)
<b>Adjusted bank balance</b>		<b>\$ 227,611</b>
<b>Deposits in Transit</b>	<b>Date</b>	
<b>Outstanding Checks</b>	<b>Ck. #</b>	
		(545)
10201811		
<p>Other</p> <p>Transfers between bank accounts Accounting error Interest not recorded on books Bank fees not recorded on books Payroll tax payments not recorded Unreconciled bank activity Unreconciled ledger activity Reclass negative cash balance Returned item adjustment Payroll/other activity in transit Petty cash funds Reporting reclass Unrecorded deposit</p>		

W. R. Grace & Co. Bank Reconciliations September, 2005 MOR-1		JP Morgan Chase Pass Through 323881963	
<u>Balance per books</u>		\$ -	
Bank Balance (+) Deposits in transit (-) Outstanding checks Other		\$ -	
<u>Adjusted bank balance</u>		\$ -	
<u>Deposits in Transit</u>		Date	Amt
<u>Outstanding Checks</u>		Cr. #	Amt
<u>Other</u>			
Transfers between bank accounts Accounting error Interest not recorded on books Bank fees not recorded on books Payroll tax payments not recorded Unreconciled bank activity Unreconciled ledger activity Returned item adjustment Payroll activity in transit Petty cash funds			

Remedium Group, Inc.  
Bank Reconciliations  
September, 2005  
MOR-1

		JP Morgan Chase Pass Through 323883842	JP Morgan Chase Disbursement 601831985
<b>Balance per books</b>		\$ -	\$ (124,339)
Bank Balance (+) Deposits in transit (-) Outstanding checks Other		\$ -	\$ - (124,339)
<b>Adjusted bank balance</b>		\$ -	\$ (124,339)
<b>Deposits In Transit</b>			
	Date	Amount	Date
<b>Outstanding Checks</b>			
	Ck. #	Amount	Ck. #
			6560 (4,459)
			6565 (11)
			6566 (34)
			6567 (72)
			6568 (83)
			6569 (85)
			6570 (107)
			6571 (152)
			6572 (415)
			6573 (568)
			6574 (2,462)
			6575 (2,583)
			6576 (63,044)
			6578 (300)
			6579 (369)
			6580 (836)
			6581 (48,759)
<b>Other</b>			
Transfers between bank accounts			
Accounting error			
Interest not recorded on books			
Bank fees not recorded on books			
Payroll tax payments not recorded			
Unreconciled bank activity			
Unreconciled ledger activity			
Returned item adjustment			
Payroll activity in transit			
Petty cash funds			

CC Partners Bank Reconciliations September, 2005 MOR-1	First Union Deposit Acct 2199500031802
Balance per books	\$ -
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ -
Adjusted bank balance	\$ -
Deposits in Transit	
Outstanding Checks	
Other	
Transfers between bank accounts Accounting error Interest not recorded on books Bank fees not recorded on books Payroll tax payments not recorded Unreconciled bank activity Unreconciled ledger activity Returned item adjustment Payroll activity in transit Petty cash funds	

<p style="text-align: center;"><b>Darex Puerto Rico, Inc.</b>  <b>Bank Reconciliations</b>  <b>September, 2005</b>  <b>MOR-1</b></p>	
	<b>Citibank</b> <b>Operating Acc</b> <b>300153011</b>
<b>Balance per books</b>	\$ 6,760,633
<b>Bank Balance</b>	\$ 8,916,455
(+) Deposits in transit	57,940
(-) Outstanding checks	(238,685)
Other	24,923
<b>Adjusted bank balance</b>	<b>\$ 6,760,633</b>
<b>Deposits In Transit</b>	<b>Data</b> <b>Amt</b>
	09/29/05 58,643
	09/30/05 (703)
<b>Outstanding Checks</b>	<b>Ck. #</b> <b>Amt</b>
	15461 (27)
	15904 (728)
	16971 (920)
	17225 (6,111)
	17288 (128,882)
	17803 (1,762)
	17795 (52)
	17831 (58,693)
	17825 (186)
	17830 (16,666)
	17827 (277)
	17829 (1,015)
	17823 (54)
	17835 (12,903)
	17834 (4,207)
	17833 (52)
	Various (6,150)
<b>Other</b>	
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll activity in transit	24,923
Petty cash funds	

## Grace Europe, Inc.

## Bank Reconciliations

September, 2005

MOR-1

		Barclays Bank PLC	
<b>Balance per books</b>		\$ -	
Bank Balance		\$ -	
(+ ) Deposits in transit			
(- ) Outstanding checks			
Other			
<b>Adjusted bank balance</b>		\$ -	
<b>Deposits In Transit</b>		Date	Amt
<b>Outstanding Checks</b>		Ck. #	Amt
<b>Other</b>			
Transfers between bank accounts			
Accounting error			
Interest not recorded on books			
Bank fees not recorded on books			
Payroll tax payments not recorded			
Unreconciled bank activity			
Unreconciled ledger activity			
Returned item adjustment			
Payroll activity in transit			
Petty cash funds			

Kootenai Development Company Bank Reconciliations September, 2005 MOR-1	
First National Bank of Montana Checking 1049097	
<b>Balance per books</b>	\$ 5,839
Bank Balance	\$ 5,839
(+) Deposits in transit	
(-) Outstanding checks	
Other	
<b>Adjusted bank balance</b>	<b>\$ 5,839</b>
<b>Deposits in Transit</b>	
<b>Outstanding Checks</b>	
<b>Other</b>	
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll activity in transit	
Petty cash funds	

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended October 31, 2005

	W.R. Grace & Co. - Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Grace Litigation Management, Inc.	Grace Europe, Inc.	Libbey, Inc.	L.B Realty, Inc.
Net sales to third parties	\$ 75,673,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	28,199,517	-	-	-	-	-	-	-	-	-
Net sales to filing entities	459,173	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,470,626	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(6,556,168)	4,139,585	615,617	19,173	845,233	-	2,602,915	-	-	-
	99,247,025	4,139,585	615,617	19,173	845,233	-	2,602,915	-	-	-
Cost of goods sold to third parties	55,124,821	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	23,553,853	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	474,704	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	(a) 26,248,821	-	6,015	-	-	15,175	-	-	-	-
Research and development expenses	3,078,692	-	-	-	-	-	-	-	-	-
Depreciation and amortization	4,464,083	-	2,318	-	-	-	-	-	-	-
Interest expense	4,491,350	-	-	-	-	-	-	-	-	-
Other expense (income)	(213,446)	-	-	-	-	-	-	-	-	-
	117,222,878	-	8,333	-	-	15,175	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(17,975,854)	4,139,585	607,284	19,173	845,233	(15,175)	2,602,915	-	-	-
Chapter 11 reorganization expenses, net	(1,709,806)	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	4,970,533	(1,448,854)	(212,715)	(6,710)	(295,832)	61	(911,020)	(651)	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net (loss) Income</b>	<b>\$ (14,715,127)</b>	<b>\$ 2,690,731</b>	<b>\$ 394,569</b>	<b>\$ 12,463</b>	<b>\$ 549,401</b>	<b>\$ (15,114)</b>	<b>\$ 1,691,895</b>	<b>\$ (651)</b>	<b>\$ -</b>	<b>\$ -</b>

## Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

(a) Amount includes \$2,247,030 of expenses for Grace's legal and indemnification costs related to the Libby indictment. \$1,602,090 of this amount relates specifically to the indemnification costs of the seven current and former employees under indictment.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended October 31, 2005

	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewife Land Corporation	Alewife Boston, Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
Net sales to third parties	\$ -	\$ 499,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,325,188	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(1,663,417)	(2,937)	-	-	-	-	-	-	-
	(338,229)	496,645	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	247,901	21,416	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	24,503	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	96,455	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	83,376	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	(11,353)	-	-	-	-	-	-	-	-
	(11,353)	452,235	21,416	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(326,876)	44,410	(21,416)	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	109,351	(42,495)	7,496	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ (217,525)</b>	<b>\$ 1,915</b>	<b>\$ (13,920)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended October 31, 2005

	Kootenai Development Company	CB Biomedical, Inc.	Amcon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern oil, Resin & Fiberglass, Inc.	Guanica	Caribe Land Development Corporation	Dewey & Almy LLC	A-1 Bit & Tool Co., Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net (loss) Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended October 31, 2005

	Grace Tarpon Investors, Inc.	G.C. Limited Partners I, Inc.	Monolith Enterprises, Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Note #2

Certain minimum expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended October 31, 2005

	W.R. Grace Land Corporation	G C Management Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food N' Fun Company	Grace PAR Corporation	Grace A-B Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended October 31, 2005

	Homo International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Grace Coalgrace Corp.	Grace Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended October 31, 2005

	Coalgrace II, Inc.	Gracecoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	(459,173)
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	(499,207)
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	40,034
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40,034</b>

## Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended October 31, 2005**

	<b>Conversion to Equity Method</b>	<b>COMBINED FILING ENTITIES</b>
Net sales to third parties	\$ -	\$ 76,173,459
Net sales to non-filing entities	- -	28,199,517
Net sales to filing entities	- -	- -
Interest and royalties from non-filing entities, net	- -	2,795,814
Interest and royalties from filing entities, net	- -	- -
	- -	<b>107,168,790</b>
Cost of goods sold to third parties	- -	55,394,139
Cost of goods sold to non-filing entities	- -	23,553,853
Cost of goods sold to filing entities	- -	- -
Selling, general and administrative expenses	- -	26,366,466
Research and development expenses	- -	3,078,692
Depreciation and amortization	- -	4,549,778
Interest expense	- -	4,491,350
Other expense (income)	- -	(224,799)
	- -	<b>117,209,478</b>
(Loss) Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	- -	(10,040,689)
Chapter 11 reorganization expenses, net	- -	(1,709,806)
(Provision for) benefit from income taxes	- -	2,169,164
Minority interest in income of subsidiary	- -	- -
Equity in net income of non-filing entities	10,634,135	10,634,135
<b>Net (loss) income</b>	<b>\$ 10,634,135</b>	<b>\$ 1,052,804</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	W.R. Grace & Co. - Conn	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 245,831,665	\$ -	\$ (142,649)	\$ -	\$ -	\$ -
Accounts and other receivables, net	117,137,907	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	403,354,955	(412,685,788)	(25,658,747)	12,881,822	(67,797,562)	(10,319,165)
Inventories	84,248,643	-	-	-	-	-
Deferred income taxes	26,669,144	-	4,217,307	-	-	-
Other current assets	19,699,628	-	-	-	-	-
<b>Total Current Assets</b>	<b>896,941,943</b>	<b>(412,685,788)</b>	<b>(21,584,089)</b>	<b>12,881,822</b>	<b>(67,797,562)</b>	<b>(10,319,165)</b>
Properties and equipment, net	337,552,191	-	406,651	-	-	-
Goodwill	14,499,090	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	83,077,618	-	-	-	-	-
Deferred income taxes	1,001,919,505	-	22,153,164	-	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,469,427,075)	940,196,045	113,810,893	5,243,320	226,958,474	-
Investment in filing and non-filing entities	826,432,783	241,512,111	-	-	-	-
Other assets	75,687,860	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,266,683,915</b>	<b>\$ 769,022,367</b>	<b>\$ 114,786,618</b>	<b>\$ 18,125,142</b>	<b>\$ 159,160,912</b>	<b>\$ (10,319,165)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
Current Liabilities						
Debt payable within one year	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	76,955,521	-	36,235	-	-	-
Income taxes payable	(74,599)	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	139,015,518	-	11,333	-	-	1,304
<b>Total Current Liabilities</b>	<b>215,896,440</b>	<b>-</b>	<b>47,567</b>	<b>-</b>	<b>-</b>	<b>1,304</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	301,668,702	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	371,545,044	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>889,110,186</b>	<b>-</b>	<b>47,567</b>	<b>-</b>	<b>-</b>	<b>1,304</b>
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	678,016,082	-	-	-	-	-
Accounts payable	30,678,905	-	665,607	-	-	-
Income taxes payable	37,772,899	48,545,390	(11,956,265)	218,423	10,054,135	(14,010)
Asbestos-related liability	1,700,000,000	-	-	-	-	-
Other liabilities	489,844,706	-	75,334,204	-	2,038,811	-
<b>Total Liabilities Subject to Compromise</b>	<b>2,936,312,593</b>	<b>48,545,390</b>	<b>64,043,545</b>	<b>218,423</b>	<b>12,092,946</b>	<b>(14,010)</b>
<b>Total Liabilities</b>	<b>3,825,422,779</b>	<b>48,545,390</b>	<b>64,091,113</b>	<b>218,423</b>	<b>12,092,946</b>	<b>(12,706)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,960	783,032	12,223	1,000	-	1,000
Paid in capital	142,809,878	419,725,373	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(1,379,687,401)	419,649,278	40,958,834	(16,146,748)	91,056,390	(10,307,460)
Treasury stock, at cost	-	(119,680,805)	-	-	-	-
Accumulated other comprehensive loss	(405,830,300)	100	-	-	-	-
Deferred compensation trust	-	100	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(1,558,738,863)</b>	<b>720,476,977</b>	<b>50,695,506</b>	<b>17,906,719</b>	<b>147,067,966</b>	<b>(10,306,460)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 2,266,683,915</b>	<b>\$ 769,022,367</b>	<b>\$ 114,786,618</b>	<b>\$ 18,125,142</b>	<b>\$ 159,160,912</b>	<b>\$ (10,319,165)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Aewafe Land Corporation
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 6,993,111	\$ -
Accounts and other receivables, net	-	90,209	-	-	2,647,153	-
Receivables from/(payables to) filing and non-filing entities, net	(386,938,610)	5,631,769	140,524,854	(85,339,254)	(3,186,856)	(4,519,897)
Inventories	-	(0)	-	-	312,263	-
Deferred income taxes	-	83,577	-	-	3,759	-
Other current assets	-	-	-	-	3,388	-
<b>Total Current Assets</b>	(386,938,610)	5,805,555	140,524,854	(85,339,254)	6,772,819	(4,519,897)
Properties and equipment, net	-	-	-	-	571,870	-
Goodwill	-	-	-	-	4,377,631	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	523,602,623	(3,278,831)	-	25,843,581	(2,937)	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	58,669,464	-	-
Investment in filing and non-filing entities	-	54,000	-	3,784,642	8,920,053	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 136,664,013</b>	<b>\$ 2,580,724</b>	<b>\$ 140,524,854</b>	<b>\$ 2,958,433</b>	<b>\$ 20,639,436</b>	<b>\$ (4,519,897)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	24,251	-	-	949,524	-
Income taxes payable	-	-	-	-	74,867	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	355,085	-	-	216,911	-
<b>Total Current Liabilities</b>	-	379,336	-	-	1,241,301	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	(566,581)	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	379,336	-	(566,581)	1,241,301	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	30,974,175	(921,169)	(150)	(7,763,559)	133,907	-
Income taxes payable	-	-	-	-	2,586,672	(175,688)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	238,792	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>30,974,175</b>	<b>(682,377)</b>	<b>(150)</b>	<b>(7,763,559)</b>	<b>2,720,579</b>	<b>(175,688)</b>
<b>Total Liabilities</b>	<b>30,974,175</b>	<b>(303,041)</b>	<b>(150)</b>	<b>(8,330,140)</b>	<b>3,961,881</b>	<b>(175,688)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	61,845,489	13,074,177	274,606
(Accumulated deficit)/Retained earnings	134,956,136	(484,745)	115,166,011	(94,790,699)	3,602,378	(4,619,014)
Treasury stock, at cost	-	3,367,510	-	44,232,784	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>105,689,838</b>	<b>2,883,764</b>	<b>140,525,004</b>	<b>11,288,573</b>	<b>16,677,555</b>	<b>(4,344,209)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 136,664,013</b>	<b>\$ 2,580,724</b>	<b>\$ 140,524,854</b>	<b>\$ 2,958,433</b>	<b>\$ 20,639,436</b>	<b>\$ (4,519,897)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Alewife Boston Ltd	Five Alewife Boston Ltd	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(19,771)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>(2,143,580)</b>		<b>(57,817,172)</b>	<b>(110)</b>	<b>(330)</b>	<b>(19,771)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (2,143,580)</b>		<b>\$ (23,763,706)</b>	<b>\$ 54,499,890</b>	<b>\$ 54,499,670</b>	<b>\$ 55,991,806</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(210)	-	-	(110)	(330)	(5,251)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(210)</b>		<b>-</b>	<b>(110)</b>	<b>(330)</b>	<b>(5,251)</b>
<b>Total Liabilities</b>	<b>(210)</b>		<b>-</b>	<b>(110)</b>	<b>(330)</b>	<b>(5,251)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,497,057
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(2,143,370)</b>		<b>(23,763,706)</b>	<b>54,500,000</b>	<b>54,500,000</b>	<b>55,997,057</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ (2,143,580)</b>		<b>\$ (23,763,706)</b>	<b>\$ 54,499,890</b>	<b>\$ 54,499,670</b>	<b>\$ 55,991,806</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Koopenal Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 5,839	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(10,483)	(26,614,022)	57,347,191	(7,283,826)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	6,908	-	-	-	-	-
<b>Total Current Assets</b>	2,265	(26,614,022)	57,347,191	(7,283,826)	-	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	1,630,940	-	-	-	-	-
<b>Total Assets</b>	\$ 1,633,205	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	551,649	5,000	-	-	-	-
<b>Total Current Liabilities</b>	551,649	5,000	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	551,649	5,000	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(8,122)	(195)	10,346,794	(230)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(8,122)	(195)	10,346,794	(230)	-	-
<b>Total Liabilities</b>	543,527	4,805	10,346,794	(230)	-	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	-	-	-
Paid in capital	1,104,954	859,233	3,671,658	5,150	-	-
(Accumulated deficit)/Retained earnings	(15,276)	(27,478,060)	43,427,950	5,144,850	-	-
Treasury stock, at cost	-	-	(99,212)	(12,433,596)	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	1,089,678	(26,618,827)	47,000,396	(7,283,596)	-	-
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 1,633,205	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpin Investors, Inc.	G C Limited Partners, Inc.	Monolith Enterprises, Incorporated
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>5,824,284</b>	<b>(102,989)</b>	<b>(1,119,103)</b>	<b>10,284,124</b>	<b>330</b>	<b>(2,417,714)</b>
Properties and equipment, net						
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 5,824,284</b>	<b>\$ (8,966)</b>	<b>\$ (1,119,103)</b>	<b>\$ 10,284,124</b>	<b>\$ 330</b>	<b>\$ (2,417,714)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable						
Income taxes payable	(110)	-	(110)	(560)	(560)	(450)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(110)</b>	<b>-</b>	<b>(110)</b>	<b>(560)</b>	<b>(560)</b>	<b>(450)</b>
<b>Total Liabilities</b>	<b>(110)</b>	<b>-</b>	<b>(110)</b>	<b>(557)</b>	<b>(560)</b>	<b>(450)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(8,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>5,824,394</b>	<b>(8,966)</b>	<b>(1,118,993)</b>	<b>10,284,682</b>	<b>890</b>	<b>(2,417,264)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 5,824,284</b>	<b>\$ (8,966)</b>	<b>\$ (1,119,103)</b>	<b>\$ 10,284,124</b>	<b>\$ 330</b>	<b>\$ (2,417,714)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarq, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>(26,312,455)</b>	<b>(5,132,933)</b>	<b>(3,350,634)</b>	<b>(2,509,849)</b>	<b>840</b>	<b>(1,230,613)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,933)</b>	<b>\$ (3,350,634)</b>	<b>\$ (2,509,849)</b>	<b>\$ 840</b>	<b>\$ (1,230,613)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(818)	(110)	(210)	(110)	(30)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>-</b>	<b>(818)</b>	<b>(110)</b>	<b>(210)</b>	<b>(110)</b>	<b>(30)</b>
<b>Total Liabilities</b>	<b>-</b>	<b>(818)</b>	<b>(110)</b>	<b>(210)</b>	<b>(110)</b>	<b>(30)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(1,230,683)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(26,312,455)</b>	<b>(5,132,115)</b>	<b>(3,350,524)</b>	<b>(2,509,639)</b>	<b>950</b>	<b>(1,230,583)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,933)</b>	<b>\$ (3,350,634)</b>	<b>\$ (2,509,849)</b>	<b>\$ 840</b>	<b>\$ (1,230,613)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	W.R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,464,242)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>36,708,315</b>	<b>-</b>	<b>(73,061)</b>	<b>(12,559,518)</b>	<b>(264,688)</b>	<b>(19,463,742)</b>
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
<b>Total Assets</b>	<b>\$ 42,993,121</b>	<b>\$ -</b>	<b>\$ (73,061)</b>	<b>\$ (12,559,518)</b>	<b>\$ 173,757</b>	<b>\$ (19,459,676)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>4,066</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>4,066</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(821)	-	(110)	(265)	(759)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(821)</b>	<b>-</b>	<b>(110)</b>	<b>(265)</b>	<b>(759)</b>	<b>-</b>
<b>Total Liabilities</b>	<b>(821)</b>	<b>-</b>	<b>(110)</b>	<b>(265)</b>	<b>(560)</b>	<b>4,066</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	6,541,055	4,000	6,000,000	
(Accumulated deficit)/Retained earnings	23,411,782	-	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>42,993,942</b>	<b>-</b>	<b>(72,951)</b>	<b>(12,559,253)</b>	<b>174,317</b>	<b>(19,463,742)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 42,993,121</b>	<b>\$ -</b>	<b>\$ (73,061)</b>	<b>\$ (12,559,518)</b>	<b>\$ 173,757</b>	<b>\$ (19,459,676)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Creative Food N: Fun Company	Grace PAR: Corporation	Grace A-B Inc.	Homco: International, Inc.	GPC Thomasville Corp.	Grace Ventures: Corp.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>23,478,717</b>	<b>6,345,361</b>	<b>810,265</b>	<b>(59,581,637)</b>	<b>(185)</b>	<b>(86,721)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 23,478,717</b>	<b>\$ 6,345,361</b>	<b>\$ 810,265</b>	<b>\$ (59,581,637)</b>	<b>\$ (185)</b>	<b>\$ (86,721)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(1,432)	(300)	(335)	(405)	(185)	(110)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(1,432)</b>	<b>(300)</b>	<b>(335)</b>	<b>(405)</b>	<b>(185)</b>	<b>(110)</b>
<b>Total Liabilities</b>	<b>(1,432)</b>	<b>(300)</b>	<b>(335)</b>	<b>(405)</b>	<b>(185)</b>	<b>(110)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>23,480,148</b>	<b>6,345,661</b>	<b>810,600</b>	<b>(59,581,232)</b>	<b>-</b>	<b>(86,611)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 23,478,717</b>	<b>\$ 6,345,361</b>	<b>\$ 810,265</b>	<b>\$ (59,581,637)</b>	<b>\$ (185)</b>	<b>\$ (86,721)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	(5,314)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>352,712,699</b>	<b>4,389,612</b>	<b>(15,750,664)</b>	<b>5,296,839</b>	<b>875,359</b>	<b>(5,314)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 504,081,786</b>	<b>\$ (9,746,113)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,296,839</b>	<b>\$ 875,359</b>	<b>\$ (5,314)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(119)	(110)	-	(360)	(310)	(260)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(119)</b>	<b>(110)</b>	<b>-</b>	<b>(360)</b>	<b>(310)</b>	<b>(260)</b>
<b>Total Liabilities</b>	<b>(119)</b>	<b>(110)</b>	<b>-</b>	<b>(360)</b>	<b>(310)</b>	<b>(260)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(6,054)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>504,081,905</b>	<b>(9,746,003)</b>	<b>(15,750,664)</b>	<b>5,297,199</b>	<b>875,669</b>	<b>(5,054)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 504,081,786</b>	<b>\$ (9,746,113)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,296,839</b>	<b>\$ 875,359</b>	<b>\$ (5,314)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axal Basin Ranch Company
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	
Properties and equipment, net						
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 108,080</b>	<b>\$ 130,215,533</b>	<b>\$ 145,239,206</b>	<b>\$ (81,115,113)</b>	<b>\$ 47,407,796</b>	<b>\$ -</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	27,277,846	27,277,846	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	<b>27,277,846</b>	<b>27,277,846</b>	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(360)	1,749,615	1,749,790	(480)	(110)	
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(360)</b>	<b>1,749,615</b>	<b>1,749,790</b>	<b>(480)</b>	<b>(110)</b>	<b>-</b>
<b>Total Liabilities</b>	<b>(360)</b>	<b>29,027,461</b>	<b>29,027,636</b>	<b>(480)</b>	<b>(110)</b>	<b>-</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock						
Common Stock	1,000	1,000	100	124,473	1,000	
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>108,440</b>	<b>101,188,072</b>	<b>116,211,570</b>	<b>(81,114,633)</b>	<b>47,407,906</b>	<b>-</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 108,080</b>	<b>\$ 130,215,533</b>	<b>\$ 145,239,206</b>	<b>\$ (81,115,113)</b>	<b>\$ 47,407,796</b>	<b>\$ -</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	Reporting Reclasses
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	200,000
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	
Inventories	-	-	-	-	(8,010,767)
Deferred income taxes	-	-	-	-	
Other current assets	-	-	-	-	
<b>Total Current Assets</b>	-	-	-	-	(7,810,767)
Properties and equipment, net	-	-	-	-	-
Goodwill	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-
Deferred income taxes	-	-	-	-	(355,657,813)
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	
Investment in filing and non-filing entities	-	-	(1,326,102,717)	328,785,931	1,800,000
Other assets	-	-	(1,101,282)	-	
<b>Total Assets</b>	\$ -	\$ -	\$ (1,327,203,999)	\$ 328,785,931	\$ (361,668,580)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>					
<b>Liabilities Not Subject to Compromise</b>					
<b>Current Liabilities</b>					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	5,000,000
Income taxes payable	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-
Other current liabilities	-	-	-	-	(18,810,767)
<b>Total Current Liabilities</b>	-	-	-	-	(18,810,767)
Debt payable after one year	-	-	-	-	-
Deferred income taxes	-	-	-	-	(355,657,813)
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-
Other liabilities	-	-	(100,000)	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	(100,000)	-	(369,468,580)
<b>Liabilities Subject to Compromise</b>					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-
Other liabilities	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	-	-	-	-
<b>Total Liabilities</b>	-	-	(100,000)	-	(369,468,580)
<b>Shareholders' Equity (Deficit)</b>					
Preferred Stock	-	-	-	-	-
Common Stock	-	-	(86,493,960)	-	-
Paid in capital	-	-	(1,222,570,000)	-	-
(Accumulated deficit)/Retained earnings	-	-	(17,040,039)	348,291,833	2,000,000
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive loss	-	-	(1,000,000)	(19,505,901)	5,800,000
Deferred compensation trust	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	-	-	(1,327,103,999)	328,785,931	7,800,000
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ -	\$ -	\$ (1,327,203,999)	\$ 328,785,931	\$ (361,668,580)

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

October 31, 2005

		COMBINED FILING ENTITIES
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 252,688,466	
Accounts and other receivables, net	119,875,269	
Receivables from/(payables to) filing and non-filing entities, net	68,225,347	
Inventories	84,560,906	
Deferred Income taxes	22,963,021	
Other current assets	19,709,925	
<b>Total Current Assets</b>	<b>568,022,934</b>	
Properties and equipment, net	338,969,157	
Goodwill	18,876,721	
Cash value of company owned life insurance, net of policy loans	83,077,618	
Deferred income taxes	668,414,856	
Asbestos-related insurance receivable	500,000,000	
Loans receivable from/(payable to) filing and non-filing entities, net	312,907,244	
Investment in filing and non-filing entities	523,813,653	
Other assets	88,980,280	
<b>Total Assets</b>	<b>\$ 3,103,062,463</b>	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>		
<b>Liabilities Not Subject to Compromise</b>		
<b>Current Liabilities</b>		
Debt payable within one year	-	
Accounts payable	77,969,596	
Income taxes payable	5,000,268	
Asbestos-related liability expected to be disbursed within one year	-	
Other current liabilities	121,346,235	
<b>Total Current Liabilities</b>	<b>204,316,099</b>	
Debt payable after one year	-	
Deferred income taxes	-	
Asbestos-related liability expected to be disbursed after one year	-	
Other liabilities	371,445,046	
<b>Total Liabilities Not Subject to Compromise</b>	<b>575,761,145</b>	
<b>Liabilities Subject to Compromise</b>		
Debt, pre-petition plus accrued interest	678,016,082	
Accounts payable	31,478,419	
Income taxes payable	123,142,706	
Asbestos-related liability	1,700,000,000	
Other liabilities	567,456,513	
<b>Total Liabilities Subject to Compromise</b>	<b>3,100,093,720</b>	
<b>Total Liabilities</b>	<b>3,675,854,865</b>	
<b>Shareholders' Equity (Deficit)</b>		
Preferred Stock	111	
Common Stock	785,708	
Paid In capital	423,393,367	
(Accumulated deficit)/Retained earnings	(504,255,763)	
Treasury stock, at cost	(119,680,805)	
Accumulated other comprehensive loss	(373,035,020)	
Deferred compensation trust	100	
<b>Total Shareholders' Equity (Deficit)</b>	<b>(572,792,402)</b>	
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 3,103,062,463</b>	

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**Chart 5**

**W. R. Grace & Co. - Conn**  
**Status of Postpetition Taxes**  
**MOR-4**  
**October 31, 2005**

	<b>Beginning Tax Liability</b>	<b>Amount Withheld or Accrued</b>	<b>Amount Paid</b>	<b>Ending Tax Liability</b>
<b>Federal</b>				
Withholding	\$ -	\$ 2,203,230	\$ (2,203,230)	\$ -
FICA - Employee	4,423	992,478	(992,124)	4,777
FICA and payroll- Employer	187,186	992,249	(1,011,446)	167,989
Unemployment	-	4,672	(4,672)	-
Other	-	4,242	(4,242)	-
<b>Total Federal Taxes</b>	<b>\$ 191,609</b>	<b>\$ 4,196,871</b>	<b>\$ (4,215,714)</b>	<b>\$ 172,766</b>
<b>State and Local</b>				
Withholding	\$ -	\$ 738,647	\$ (738,703)	\$ (56)
Sales & Use	415,115	342,844	(226,839)	531,120
Property Taxes	4,070,226	413,041	(862,783)	3,620,484
Other	-	89,233	(89,233)	-
<b>Total State and Local</b>	<b>\$ 4,485,341</b>	<b>\$ 1,583,765</b>	<b>\$ (1,917,558)</b>	<b>\$ 4,151,548</b>
<b>Total Taxes</b>	<b>\$ 4,676,950</b>	<b>\$ 5,780,636</b>	<b>\$ (6,133,272)</b>	<b>\$ 4,324,314</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

**Chart 5**

**Remedium Group, Inc.**  
**Status of Postpetition Taxes**  
**MOR-4**  
**October 31, 2005**

	<b>Beginning Tax Liability</b>	<b>Amount Withheld or Accrued</b>	<b>Amount Paid</b>	<b>Ending Tax Liability</b>
<b>Federal</b>				
Withholding	\$ -	\$ 8,128	\$ (8,128)	\$ -
FICA - Employee	-	1,356	(1,356)	-
FICA and payroll- Employer	-	1,356	(1,356)	-
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	<b>\$ -</b>	<b>\$ 10,840</b>	<b>\$ (10,840)</b>	<b>\$ -</b>
<b>State and Local</b>				
Withholding	\$ -	\$ 629	\$ (629)	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
<b>Total State and Local</b>	<b>\$ -</b>	<b>\$ 629</b>	<b>\$ (629)</b>	<b>\$ -</b>
<b>Total Taxes</b>	<b>\$ -</b>	<b>\$ 11,469</b>	<b>\$ (11,469)</b>	<b>\$ -</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

**Chart 5**

**Grace Washington, Inc.**  
**Status of Postpetition Taxes**  
**MOR-4**  
**October 31, 2005**

	<b>Beginning Tax Liability</b>	<b>Amount Withheld or Accrued</b>	<b>Amount Paid</b>	<b>Ending Tax Liability</b>
<b>Federal</b>				
Withholding	\$ -	\$ 4,585	\$ (4,585)	\$ -
FICA - Employee	-	245	(245)	-
FICA and payroll- Employer	-	246	(246)	-
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	<b>\$ -</b>	<b>\$ 5,076</b>	<b>\$ (5,076)</b>	<b>\$ -</b>
<b>State and Local</b>				
Withholding	\$ -	\$ 938	\$ (938)	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
<b>Total State and Local</b>	<b>\$ -</b>	<b>\$ 938</b>	<b>\$ (938)</b>	<b>\$ -</b>
<b>Total Taxes</b>	<b>\$ -</b>	<b>\$ 6,014</b>	<b>\$ (6,014)</b>	<b>\$ -</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

**Chart 5**

**L B Realty, Inc.**  
**Status of Postpetition Taxes**  
**MOR-4**  
**October 31, 2005**

	<b>Beginning Tax Liability</b>	<b>Amount Withheld or Accrued</b>	<b>Amount Paid</b>	<b>Ending Tax Liability</b>
<b>Federal</b>				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	-	-	-	-
FICA and payroll- Employer	-	-	-	-
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>State and Local</b>				
Withholding	\$ -	\$ -	\$ -	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
<b>Total State and Local</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Taxes</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

**Chart 5**

**Darex Puerto Rico, Inc.**  
**Status of Postpetition Taxes**  
**MOR-4**  
**October 31, 2005**

	<b>Beginning Tax Liability</b>	<b>Amount Withheld or Accrued</b>	<b>Amount Paid</b>	<b>Ending Tax Liability</b>
<b>Federal</b>				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	(1,650)	581	(581)	(1,650)
FICA and payroll- Employer	3,368	581	(213)	3,736
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	<b>\$ 1,718</b>	<b>\$ 1,162</b>	<b>\$ (794)</b>	<b>\$ 2,086</b>
<b>State and Local</b>				
Withholding	\$ 1,363	\$ 929	\$ (928)	\$ 1,364
Sales & Use	128	-	79	207
Property Taxes	368,982	4,064	(1)	373,045
Other	-	-	-	-
<b>Total State and Local</b>	<b>\$ 370,473</b>	<b>\$ 4,993</b>	<b>\$ (850)</b>	<b>\$ 374,616</b>
<b>Total Taxes</b>	<b>\$ 372,191</b>	<b>\$ 6,155</b>	<b>\$ (1,644)</b>	<b>\$ 376,702</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

**Chart 6**

**W. R. Grace & Co. - Conn**  
**Accounts Receivable Reconciliation and Aging**  
**MOR-5**  
**October 2005**

<b>Trade/Accounts Receivable Reconciliation</b>	
Trade accounts receivable, beginning of month, gross	\$ 117,761,067
Amounts billed during the period	\$ 75,673,877
Amounts collected during the period	\$ (89,316,476)
Other	\$ 5,978,394
Trade accounts receivable at the end of month, gross	\$ 110,096,862
<b>Trade/Accounts Receivable Aging</b>	
Current	\$ 81,158,361
1-30 days past due	18,348,152
31-60 days past due	7,189,143
+61 days past due	3,401,206
Trade accounts receivable, gross	110,096,862
Allowance for doubtful accounts	(1,333,229)
Trade accounts receivable, net	\$ 108,763,633
<b>Notes and Accounts Receivable Reconciliation</b>	
Trade accounts receivable, net	\$ 108,763,633
Customer notes and drafts receivable	583,496
Pending customer credit notes	(5,688)
Advances and deposits	5,568,847
Nontrade receivables, net	2,227,619
Total notes and accounts receivable, net	\$ 117,137,907

**Chart 6**

**Remedium Group, Inc.**  
**Accounts Receivable Reconciliation and Aging**  
**MOR-5**  
**October 2005**

<b>Trade Accounts Receivable Reconciliation</b>	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	- -
Amounts collected during the period	- -
Other	- -
Trade accounts receivable at the end of month, gross	\$ -
<b>Trade Accounts Receivable Aging</b>	
Current	\$ -
1-30 days past due	- -
31-60 days past due	- -
+61 days past due	- -
Trade accounts receivable, gross	- -
Allowance for doubtful accounts	- -
Trade accounts receivable, net	\$ -
<b>Notes and Accounts Receivable Reconciliation</b>	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	- -
Pending customer credit notes	- -
Advances and deposits	- -
Nontrade receivables, net	- -
Total notes and accounts receivable, net	\$ -